



3 Safe Canadian Stocks With Above 5% Dividend Yields

Description

Your portfolio is incomplete without few fundamentally strong companies that pay dividends at healthier yields. Along with regular payouts, investors could also benefit from capital appreciation. Due to their solid fundamentals and stable cash flows, these companies are less susceptible to market fluctuations, thus providing stability to your portfolio. So, if you want to invest in [dividend stocks](#), here are three safe Canadian stocks that pay dividends at over 5% yields.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) would be an excellent stock to have in your portfolio, given its excellent track record, stable cash flows, and juicy dividend yield. The company operates a highly regulated energy infrastructure business with over 40 diverse revenue-generating sources. The company earns around 98% of its cash flows from regulated assets or long-term contracts, providing stability to its cash flows. These steady cash flows have allowed Enbridge to pay dividends uninterrupted for 66 years while increasing them at a CAGR of over 10% for the previous 26 straight years.

Meanwhile, the rising oil demand could increase the throughput of its liquid pipeline segment, boosting its financials and stock price. The company is also scaling up its renewable power-generating capabilities. Its portfolio includes [8.4 gigawatts of power-generating facilities](#), including projects still in the developmental stage. So, given its healthy growth prospects, I believe the company's dividend is safe. Currently, Enbridge pays a quarterly dividend of \$0.835 per share, with its dividend yield currently standing at 6.73%.

NorthWest Healthcare

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) is another solid stock to have in your portfolio. It owns and operates healthcare properties spread across seven countries. The company has signed long-term contracts with most of its tenants, with its weighted average lease expiry standing at 14.3 years. These long-term contracts have allowed the company to enjoy a high occupancy rate. The

company's collection rate is also healthy, thanks to its government-backed tenants and highly defensive and diversified portfolio.

Meanwhile, NorthWest Healthcare recently raised around \$200 million through new equity offerings. The company's management plans to utilize the proceeds to acquire four medical facilities in the Netherlands and the Australian Unity Healthcare Property Trust. These acquisitions could boost the company's cash flows, allowing the company to pay dividends at a healthier yield. Currently, the company pays a monthly dividend of \$0.0667, with its forward yields standing at 6.28%. So, I believe [NorthWest Healthcare would be an excellent buy for income-seeking investors](#).

BCE

My final pick would be **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), one of the three leading telecom players in the Canadian market. Amid the digitization of business processes and increased remote working and learning, the demand for the company's services is rising. The 5G revolution offers excellent growth prospects. Meanwhile, BCE has accelerated its capital investment on expanding its 5G and broadband coverage amid favourable industry trends.

Earlier this week, the company expanded its 5G services to St. John's, Flatrock, Paradise, Portugal Cove, and Wabana in Newfoundland and Labrador. Meanwhile, the company's management expects to provide 5G service to around 70% of the Canadian population by the end of this year. These initiatives could boost the company's financials in the coming quarters, thus allowing the company to maintain its dividend growth.

Meanwhile, BCE has been raising its dividends for the last 12 consecutive years at a CAGR of over 6%. Currently, the company pays quarterly dividends of \$0.875 per share, with its forward dividend yield standing at 5.73%.

CATEGORY

1. Energy Stocks
2. Investing

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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